Process Name: Budget Development	**Process Identifier:** BD
Sub-Process Name: Strategic Planning	**Sub-Process Identifier:** BD-01

Sub-Process Purpose and Objectives: To define the process whereby the State develops the Strategic Plan from planning and performance measure information provided by each Agency.

Sub-Process Description: Pursuant to State Law, agency strategic plans are developed under guidelines issued by the Commissioner of Finance and Administration (F&A). The law directs the Commissioner of F & A to transmit the plans to the Governor and the General Assembly in September of each year.

In April or May, F&A Budget issues guidelines for the preparation of Agency Strategic Plans. These guidelines provide direction as to the content and format of strategic plans. Agencies receive Word files as printed in the prior year's Plan. Agencies are instructed to edit/update these files. Agencies are also required to update performance measure tables for actuals, estimates and targets. An Excel file with the official performance measures is provided to assist agencies with this aspect of their plans. The deadline for agency completion and transmission of the strategic plans is the first of July.

The Governmental Accountability Act directs the Commissioner of F & A to review, revise and approve strategic plans and program performance measures. After receipt of the agency strategic plans, analysts begin reviewing them, paying particular attention to proposed measures. F&A Budget staff evaluates the validity, reliability and appropriateness of each measure and how the strategic plan and measures are used in decision-making and other agency processes.

Following the review of the plans, F&A Budget staff, working with the agencies, arrives at a consensus regarding any changes or adjustments to the performance measures. After these decisions are finalized, F&A Budget staff prepares the Agency Strategic Plans document for submittal.

The General Assembly has the final approval of all strategic plans, performance measures, and standards through the appropriations act.

Sub-Process Trigger(s):	**Key Sub-Process Participants:**
• This process is triggered by the distribution of Guidelines for the preparation of Agency Strategic Plans in April or May or each year.	• Agency Budget & Planning Staffs • F&A Budget Staff • General Assembly

Process Name: Budget Development		**Process Identifier:** BD	
Sub-Process Name: Strategic Planning		**Sub-Process Identifier:** BD-01	
Inputs:			
Input	**Format**	**Volume/Time**	**Suppliers**
Strategic Plan Updates	Paper/Electronic		Agency Planning Staffs
Performance Measure Updates	Paper/Electronic		Agency Planning Staffs
Outputs:			
Output	**Format**	**Volume/Time**	**Recipients**
Performance Measures Tracked:			
Measure		**Current Value**	**Target Value**
% of performance measures that are outcome measures		43%	50%

Law, Policy, or Statute Site That Govern Sub-Process:	
Law, Policy, or Statute	**Change Required (Yes/No)?**
TCA Title 9, Chapter 4, Part 56 & 51. Governmental Accountability Act.	No

Key Assumptions:
-

Improvements:
- Once manually entered or uploaded, ability to carry forward selected Strategic Plan information to Budget documents due to the integration of edison.
- Ability to establish a central repository of Performance Measures, including the ability to freeze data at selected stages in the process.
- Ability to receive data from and export data to spreadsheets or databases.
- Ability to categorize performance measures (input, output, efficiency, quality, outcome).
- Ability to gather and report target vs. actual performance information on a quarterly, yearly basis.
- Ability to calculate increases/decreases in performance measures. (Increases due to improvements, decreases due to reductions).

Change Management Concerns:	**Communication Actions:**
- Introduction of new system requires all users to learn different ways of complying with requirements.	- Ensure comprehensive agency training program during and after implementation of new systems.

Eliminated Non-Core Systems:
-

Process Name: Budget Development	**Process Identifier:** BD
Sub-Process Name: Budget Request Process	**Sub-Process Identifier:** BD-02

Sub-Process Purpose and Objectives: To define the process whereby Tennessee State Agencies and Departments develop their Budget Requests.

Sub-Process Description: In early July, the Division of Budget begins making plans for the next fiscal year's budget. These plans include designing and updating the forms and instructions used by the departments and agencies in presenting their budget requests to the Division of Budget. In early August, the Administration issues budgeting guidance through policy initiatives that are included as instructions for the Budget Request. These initiatives help each agency plan its budget.   The system used to collect the budget request is the Tennessee Budget Request System, an Access 2000 application. It collects the expenditures, revenues, and program descriptions of state agencies. Agencies download the latest version of the Budget Request system from the Internet. A new system should allow agencies to log onto an integrated budget preparation module, prepare the requests in accordance with instructions provided by the Division of Budget, and electronically notify the Division of Budget of completion.   The budget requests submitted address operating budget needs consisting of annual recurring costs such as payroll, utilities, maintenance, and other program costs.   An important element in the preparation of the requests is the establishment of the Base Budget, which is defined as existing programs and levels of service at funding level not exceeding the current year recurring amount. The new system should also allow agencies to submit budget improvement requests to address new programs and program enhancements.   The process currently relies on downloads from the Personnel System. It is expected that an integrated budget preparation system would be able to easily retrieve up-to-date data on positions from other modules, in whatever format and at whatever organizational level required.   Budget Requests are due to F&A Budget Office on Oct. 1.

Sub-Process Trigger(s): • This process is triggered by the distribution of Operating Budget Instructions for the preparation of Agency Budget Requests to agencies in August of each year.	**Key Sub-Process Participants:** • Agency Budget Staffs • F & A Budget Staff

Inputs:

Process Name: Budget Development		Process Identifier: BD	
Sub-Process Name: Budget Request Process		**Sub-Process Identifier:** BD-02	
Input	**Format**	**Volume/Time**	**Suppliers**
	Paper/Electronic		Agency Budget Staffs
	Paper/Electronic		Agency Budget Staffs
Outputs:			
Output	**Format**	**Volume/Time**	**Recipients**
Performance Measures Tracked:			
Measure		**Current Value**	**Target Value**

Law, Policy, or Statute Site That Govern Sub-Process:	
Law, Policy, or Statute	**Change Required (Yes/No)?**
TCA Title 9, Chapter 4, Part 51 & 56.	No
Key Assumptions:	

Key Assumptions:
- All agencies currently submitting requests using the Budget Request System would submit their requests in the new system.

Improvements:
- Once entered or uploaded, ability to carry forward selected information from other modules to Budget modules.
- Ability to establish position budgets at whatever level required.
- Ability to make mid-year salary adjustments and have the system automatically perform all required calculations.
- Ability to track performance measure changes, including having the system automatically calculate the new measure based on added adjustments in funding.
- Ability to accommodate various formats for Performance Measure Entry.
- Ability to receive data from and export data to spreadsheets or databases.

Change Management Concerns:	Communication Actions:
• Introduction of new system requires all users to learn different ways of complying with requirements.	• Ensure comprehensive agency training program during and after implementation of new systems.

Eliminated Non-Core Systems:
• Budget Request System

Process Name: Budget Development	**Process Identifier:** BD
Sub-Process Name: Capital Budget Request Process	**Sub-Process Identifier:** BD-03

Sub-Process Purpose and Objectives: To define the process whereby Tennessee State Agencies and Departments develop their Capital Budget Requests.

Sub-Process Description: In early August, the Administration issues budget guidance through policy initiatives. These initiatives are included as instructions for the Budget Request. These initiatives help each agency to plan its budget. A separate Capital Budget request is required for major capital projects. Capital projects are divided into two categories, Capital Maintenance Projects and Capital Outlay projects. Capital Maintenance projects are defined as major, non-routine repairs and replacements unrelated to construction costing in excess of $100,000. Capital Outlay projects are defined as those providing new facilities or materially extending the useful life and improving or changing the function of an existing facility. Examples include facility renovation, new construction, land purchases, and permanent betterments. The Capital Budget Request System 7.0, an Access 2000 application, is used for all capital budget requests. The system is a collection tool utilizing spreadsheets and/or a database. A new system should allow agencies to log onto an integrated budget preparation module, prepare their requests in accordance with instructions provided by the Division of Budget, and electronically notify the Division of Budget of completion. The new system should allow the data to be broken out into useful formats for analysis and should be able to support powerful querying and reporting. The system should allow Budget to track progress of the projects, with a specific need to identify when the project is substantially complete. When a project is near completion, the system should electronically notify agencies to include any operating costs needed to bring the facility into service in their operational budget requests. Upon receipt of the agency capital budget requests, the Division of Capital Projects, Real Property Management, and the Division of Budget review them. The requests are analyzed using need, technical requirements, and funding requirements as key criteria for recommending a project for funding. Projects funded through this process should support program and service responsibilities. Capital projects must meet the guidelines of the State Building Commission. Projects are typically prioritized according to whether there are Life/Safety issues involved, federal or other mandates, or whether loss of accreditation is a concern. Once the Bond Authorization and Final Appropriations Act are passed, the final listing of the approved projects lists is distributed to the agencies and appropriate oversight authorities. Capital Budget Requests are due at F & A Budget Office on Oct. 1.

Process Name: Budget Development	Process Identifier: BD
Sub-Process Name: Capital Budget Request Process	Sub-Process Identifier: BD-03

Sub-Process Trigger(s):	**Key Sub-Process Participants:**
• This process is triggered by the distribution of Capital Budget Instructions for the preparation of Agency Budget Requests to agencies in August of each year.	• Agency Budget Staffs • F & A Budget Staff • Division of Capital Projects • Real Property Management

Inputs:

Input	Format	Volume/Time	Suppliers
	Paper/Electronic		Agency Budget Staffs
	Paper/Electronic		Agency Budget Staffs

Outputs:

Output	Format	Volume/Time	Recipients

Performance Measures Tracked:

Measure	Current Value	Target Value

Law, Policy, or Statute Site That Govern Sub-Process:	
Law, Policy, or Statute	**Change Required (Yes/No)?**
TCA Title 9, Chapter 4, Part 51 & 56.	No
Key Assumptions:	
• All agencies currently submitting requests using the Capital Request System would submit their requests in the new system.	

Improvements:

- Once entered or uploaded, ability to carry forward selected information from other modules to Budget modules.
- Ability to enter capital budget requests and operational budget requests in the same system.
- Ability to determine appropriate levels of access through robust securities features.
- Ability to do all analysis in the system the requests are entered into (reducing or eliminating the need to export to spreadsheets).
- Ability to track progress of projects once approved, including but not limited to expenditures against budget, funding, and scheduled completion or in-service dates.
- Ability to push back to agencies the ability to update requests based on various reviews or recommendations made.
- Ability to receive data from and export data to spreadsheets or databases.

Change Management Concerns:	**Communication Actions:**
Introduction of new system requires all users to learn different ways of complying with requirements.	Ensure comprehensive agency training program during and after implementation of new systems.

Eliminated Non-Core Systems:

- Budget Request System
- Budget Analysis System
- Capital Budget Request System

Process Name: Budget Development	**Process Identifier:** BD
Sub-Process Name: Budget Analysis Process	**Sub-Process Identifier:** BD-04

Sub-Process Purpose and Objectives: To define the process whereby the Division of Budget analyzes agency budget requests, ultimately resulting in the Governor's Recommended Budget.

Sub-Process Description: Budget Requests are due to the F&A Budget Office on Oct. 1. During the months of October and November, F&A Budget analyzes the requests to determine if they are in line with the base budget guidelines. The analysts make any adjustments necessary to the base budget to bring it into compliance with the Administration's initiatives. Analysts also begin reviewing and analyzing requested improvements.

Shortly after initial analysis of the request, the F&A Commissioner schedules budget hearings with agencies to review budget requests. The Budget Division prepares various reports for use in these hearings. Budget analysts attend each hearing. The budget hearing gives each agency a chance to discuss improvements and unresolved base issues. Most budget request issues are resolved by the end of November, but some issues may not be resolved until just before the final budget document is published.

Analysts research improvement requests to determine whether or not they are federally mandated, court ordered, or have the potential to enhance the ability of the requesting department to accomplish its statutory requirements. Final approval of base budget levels and improvements comes from the Commissioner of F&A and the Governor.

The Budget Analysis System is used to assist analysts in budget analysis. There are a variety of screens available to capture adjustments to the Actual, Estimated, and Base years as well as improvements. The system generates a substantial number of the reports used in the process. Currently, request data from the agency budget requests are entered into the Budget Request System and uploaded into the Budget Analysis System. It is expected that an integrated system would not only eliminate this process, but would also provide the availability of data from other Edision modules. The new system should provide a more robust information gathering capability, offering analysts the ability to query any information contained in the budget module or any other module where data critical to the analysis process may reside. Analysts will be able to continue exporting data in the system to spreadsheets or word processing files in order to further research the data. Report-writing capabilities should include the ability to turn standard queries and reports into documents that are presentable for any forum.

The result of all the analysis is a set of budget recommendations to the Governor.

Sub-Process Trigger(s):	**Key Sub-Process Participants:**
• This process is triggered by the receipt of operating budgets prepared by agencies due October 1.	• F & A Budget Staff

Inputs:

Process Name: Budget Development		Process Identifier: BD	
Sub-Process Name: Budget Analysis Process		Sub-Process Identifier: BD-04	
Input	**Format**	**Volume/Time**	**Suppliers**
	Paper/Electronic		F & A Budget Staff
	Paper/Electronic		F & A Budget Staff
Outputs:			
Output	**Format**	**Volume/Time**	**Recipients**
Performance Measures Tracked:			
Measure		**Current Value**	**Target Value**

Law, Policy, or Statute Site That Govern Sub-Process:	
Law, Policy, or Statute	**Change Required (Yes/No)?**
TCA Title 9, Chapter 4, Part 51 & 56.	No
Key Assumptions:	
• All agencies currently submitting requests using the Budget Request System would submit their requests in the new system.	

Improvements:
- Once entered or uploaded, ability to carry forward selected information from other modules to Budget modules.
- Ability to establish position budgets at whatever level required.
- Ability to make mid-year salary adjustments and have the system automatically perform all required calculations.
- Ability to track performance measure changes, including having the system automatically calculate the new measure based on added adjustments in funding.
- Ability to accommodate various formats for Performance Measure Entry.
- Ability to receive data from and export data to spreadsheets or databases.
- Ability to query on data in the system enabling analysts to quickly respond to requests from management and governmental leaders.

Change Management Concerns:	**Communication Actions:**
• Introduction of new system requires all users to learn different ways of complying with requirements.	

Eliminated Non-Core Systems:
- Budget Request System
- Budget Analysis System

Process Name: Budget Development	**Process Identifier:** BD
Sub-Process Name: Budget Document Preparation Process	**Sub-Process Identifier:** BD-05

Sub-Process Purpose and Objectives: To define the process whereby the Division of Budget produces the Budget Document.

Sub-Process Description: Once all recommendations are finalized, the Budget Analysis system is locked down to further entry and a reconciliation process begins. A snapshot/extract is taken from the system and downloaded into spreadsheets where macros reformat the data into views and charts. These charts are linked into Word documents and printed to PDF formats. These files are used to construct the budget document. Given the many steps and links involved, there must be reconciliation processes in place to ensure the data is consistent and correct.

Beginning this year, Budget plans to produce these camera-ready document pages directly from the Access database. While this will reduce the steps in the publishing process, a new system should even further eliminate time-consuming reconciliation steps.

Edison should provide for document publishing using data that is already contained in the system, producing high quality final document pages. There should be very little, if any, reconciliation required. Should additional data be desired, Edison should be flexible enough to easily incorporate other file types including spreadsheets, charts, graphs, clipart, and photos. Edison should have desktop publishing capabilities allowing for flexible formatting, object placement, and page layout. Edison should be flexible enough to accommodate additional requirements associated with implementing Performance Based Budgeting. Finally, the system should be able to efficiently re-produce document pages and reports at various stages in the process.

Sub-Process Trigger(s):	**Key Sub-Process Participants:**
• This process is triggered by the completion of the budget analysis and recommendation process and the need for the recommendations to be published.	• F & A Budget Staff

Inputs:

Input	Format	Volume/Time	Suppliers
	Paper/Electronic		F & A Budget Staff
	Paper/Electronic		F & A Budget Staff

Outputs:

Output	Format	Volume/Time	Recipients

Performance Measures Tracked:

Process Name: Budget Development		Process Identifier: BD	
Sub-Process Name: Budget Document Preparation Process		Sub-Process Identifier: BD-05	
Measure		**Current Value**	**Target Value**

Law, Policy, or Statute Site That Govern Sub-Process:	
Law, Policy, or Statute	**Change Required (Yes/No)?**
TCA Title 9, Chapter 4, Part 51 & 56.	No

Key Assumptions:
- Edison and the data contained in the Budget modules will be used to publish the official budget documents required of the Budget Division.

Improvements:
- Once entered or uploaded, ability to carry forward selected information from other modules to Budget modules.
- Ability to produce high quality, camera-ready documents using data already contained in the system.
- Ability to generate ad-hoc reports using very intuitive and robust querying and reporting features.
- Ability to receive data from and export data to spreadsheets or databases.
- Ability to query on data in the system enabling analysts to respond to requests from management and governmental leaders.

Change Management Concerns:	**Communication Actions:**
- Introduction of new system requires all users to learn different ways of complying with requirements.	- Ensure comprehensive agency training program during and after implementation of new systems.

Eliminated Non-Core Systems:
- Budget Request System
- Budget Analysis System

Process Name: Budget Development	**Process Identifier:** BD
Sub-Process Name: Work Program Preparation	**Sub-Process Identifier:** BD-06

Sub-Process Purpose and Objectives: To define the process whereby the Division of Budget prepares Work Program.

Sub-Process Description: Invariably, there are changes from the Budget Document as presented by the Governor to the General Assembly and the Appropriations Act that is adopted. Changes may include new legislation, amendments, reorganizations, salary increases, benefits adjustments, and additional Federal or Other funding (expansions). Analysts of the Division of Budget and fiscal personnel in the departments and agencies have the responsibility of reconciling the signed Appropriations Act with the Budget Document. This may involve increases or decreases to agencies' and divisions' allotments. The Division of Budget establishes an annual allotment for each agency and division using the reconciled Appropriations Act. This annual allotment, called the work program, is provided to the Division of Accounts as a means of spending control. The work program is the actual spending plan that is loaded into STARS.

The Work Program System is used in this process. Analysts access the system and enter approved adjustments. In Edison, the analysts should be able to log into the system, enter their adjustments, and have those adjustments go into a pending status awaiting on-line approval by Budget Office management. Data from previous stages (Budget Analysis) would already be in Edison. Edison would also accept data imports from spreadsheets and/or database files, particularly in those instances where mass updates are needed. The analysts should have access to a broad range of queries and/or reports to further their analysis and reconciliation efforts.

Once all approved adjustments amendments are in the system, the "Work Program" stage is closed and frozen. Data is then available for budget monitoring purposes.

Sub-Process Trigger(s):	**Key Sub-Process Participants:**
• This process is triggered by the passage of the Appropriations Act and need to establish allotments.	• F & A Budget Staff

Inputs:

Input	Format	Volume/Time	Suppliers
	Paper/Electronic		F & A Budget Staff
	Paper/Electronic		F & A Budget Staff

Outputs:

Output	Format	Volume/Time	Recipients

Process Name: Budget Development		**Process Identifier:** BD	
Sub-Process Name: Work Program Preparation		**Sub-Process Identifier:** BD-06	
Performance Measures Tracked:			
Measure		**Current Value**	**Target Value**

Law, Policy, or Statute Site That Govern Sub-Process:	
Law, Policy, or Statute	**Change Required (Yes/No)?**
TCA Title 9, Chapter 4, Part 51 & 56.	No
Key Assumptions:	

- Edison and the data contained in the Budget modules will be used to publish the official budget documents required of the Budget Division.
- Selected budget data will move from stage to stage, reducing manual input and increasing validity of data with less reconciliation required.

Improvements:
- Once entered or uploaded, ability to carry forward selected information from other modules to Budget modules.
- Ability to freeze budgets at any stage pr phase of the budget, including after submission. Would allow for the Work Program process to be its own stage, allowing for the work to be done, frozen, and loaded into Edison.
- Ability to establish position budgets at whatever level required.
- Ability to make mid-year salary adjustments and have the system automatically perform all required calculations.
- Ability to track performance measure changes, including having the system automatically calculate the new measure based on added adjustments in funding.
- Ability to generate ad-hoc reports using very intuitive and robust querying and reporting features.
- Ability to receive data from and export data to spreadsheets or databases.
- Ability to query on data in the system enabling analysts to more quickly respond to requests from management and governmental leaders.

Change Management Concerns:	**Communication Actions:**
• Introduction of new system requires all users to learn different ways of complying with requirements.	

Eliminated Non-Core Systems:
- Budget Request System
- Budget Analysis System

Process Name: Budget Development	**Process Identifier:** BD
Sub-Process Name: Budget Monitoring	**Sub-Process Identifier:** BD-07
Sub-Process Purpose and Objectives: To define the process whereby the Division of Budget monitors and tracks agency compliance with appropriations.	
Sub-Process Description: After passage of the appropriations act, and subsequent establishment of the work program, the Division of Budget monitors agency compliance with the spending authority granted to them. This is a yearlong process of comparing budgeted funding to actual spending. Budget reviews and approves several types of purchases, personnel requests, contracts, and leases. The Division of Budget relies on data from STARS, as well as the Budget Status System, an online Oracle database, to perform the monitoring function. The Budget Status System uses a STARS snapshot from the data warehouse. Data from STARS is reformatted so analysts can view agency financial information in a format similar to the work program. Fiscal information is updated daily. Budget Status allows the analysts to look at agency balances without going into STARS and looking through several screens. The new system should query on numerous data from other modules such as personnel and purchasing, providing data that has not always been easily available. If the agencies use the purchasing module for all procurements as currently intended, Budget will be able to view status of contracts and other procurement instruments, as well as having more accurate information on agency encumbrances and pre-encumbrances. When initially developed, the Status System was to do projections using initial Work Program data along with YTD expenditures to arrive at projected annual expenditures. In the absence of this functionality, the Division of Budget created the Budget Reversion System to forecast anticipated state dollar reversions available from agency under spending. This process is currently done once a year, typically around February. Agencies are sent the Budget Reversion system along with certain YTD data. Agencies then project anticipated spending for both personnel and operational costs and key these projected expenditures into select fields in the system. The agencies then submit this data back to Budget in the form of text files that are loaded back into the system. Budget is then able to produce reports at various levels of detail in order to determine reversion amounts. Analysts should be able to access the new system and perform all of these functions without relying on multiple systems and processes. Analysts should be able to drill down into the detail supporting the initial summary views. The new system would also provide various current authorized position count and salary data in support of the personnel monitoring process. Analysts and agencies should have the ability to build various forecasting methodologies into the system to be used to accurately project expenditures for each unique expenditure type.	

Process Name: Budget Development			**Process Identifier:** BD	
Sub-Process Name: Budget Monitoring			**Sub-Process Identifier:** BD-07	
Sub-Process Trigger(s): • This process is triggered by the completion of the Work Program loaded into STARS and TCA requirements that Budget monitor agency spending.			**Key Sub-Process Participants:** • F & A Budget Staff • Agency Budget Staffs	
Inputs:				
Input	**Format**	**Volume/Time**		**Suppliers**
	Paper/Electronic			F & A Budget Staff
	Paper/Electronic			F & A Budget Staff
Outputs:				
Output	**Format**	**Volume/Time**		**Recipients**
Performance Measures Tracked:				
Measure		**Current Value**		**Target Value**

Law, Policy, or Statute Site That Govern Sub-Process:	
Law, Policy, or Statute	**Change Required (Yes/No)?**
TCA Title 9, Chapter 4, Part 51 & 56.	No
Key Assumptions: • Selected budget data will move from stage to stage, reducing manual input and increasing validity of data with less reconciliation required. • System will include analysis and forecasting functionality.	

Improvements:
- Once entered or uploaded, ability to carry forward selected information from other modules to Budget modules.
- Ability to make mid-year salary adjustments and have the system automatically perform all required calculations.
- Ability to generate ad-hoc reports using very intuitive and robust querying and reporting features.
- Ability to receive data from and export data to spreadsheets or databases.
- Ability to query on data in the system enabling analysts to more quickly respond to requests from management and governmental leaders.

Change Management Concerns:	**Communication Actions:**
• Introduction of new system requires all users to learn different ways of complying with requirements.	• Ensure comprehensive agency training program during and after implementation of new systems.

Eliminated Non-Core Systems:
- Budget Reversion System